Improving quality of Indian clothes in global market

†886. SHRI UDAY PRATAP SINGH: Will the Minister of TEXTILES be pleased to state:

(a) whether Government are formulating any scheme for improving quality of clothes at global market and for solving problems of exporters;

(b) if so, the details thereof; and

(c) whether Government are contemplating to establish 'Made in India brand' at international level?

THE MINISTER OF TEXTILES (SHRI SHANKARSINH VAGHELA): (a) and (b) To improve the overall competitiveness of the Indian textile industry, the Government has announced the National Textile Policy, in November, 2000. Some of the important initiatives taken are:

(i) Rationalisation of fiscal duty structure undertaken so as to attract investment and modernisation;

(ii) Launching of the Technology Upgradation Fund Scheme (TUFS) to facilitate the modernisation and upgradation of the sector;

(iii) For accelerating modernization of the powerlooms segment of the textile industry, 20% capital assistance is available on investment in TUFS compatible specified machinery subject to a ceiling of Rs. 12 lakh on amount of assistance;

(iv) Announcement of a package for restructuring of debt portfolios of potentially viable textile units having debt exposure of Rs. 2 crore and above.

(v) De-reservation of the woven segment of readymade garment from the SSI sector. The SSI investment limit for knitted/hosiery segment increased from Rs. 1 crore to Rs. 5 crore;

(vi) With a view to making textile production competitive, the custom duty on various capital goods brought down from 25% to 5%;

(vii) A Centrally sponsored scheme titled "Apparel Park for Export Scheme" launched for imparting focused thrust for setting up of apparel manufacturing units of international standards at potential growth centres and to give fillip to exports;

† Original notice of the question was received in Hindi.

(viii) For upgrading infrastructure facilities at important textile centres, a scheme Textile Centre Infrastructure Development Scheme" (TCIDS) • has also been launced;

(ix) Cotton Technology Mission launched to improve the productivity and quality of cotton;

(x) Imposition of a combination of *ad-valorem* and specific duty on "whichever is higher basis" on import of a number of textile items to safeguard the interest of domestic industry;

(xi) The facility of accelerated depreciation at the rate of 50% extended to weaving, processing and garment machinery, which are covered under TUFS. Cost of machinery has also been reduced through reduction in customs duty and abolition of excise duty on certain specified machinery items;

(xii) For boosting exports of textile and clothing Government provides financial assistance to Textile Export Promotion Councils under Marketing Development Assistance (MDA) Scheme;

(xiii) Close monitoring of imports on regular basis so as to ensure that imports do not cause any serious detriment or injury to the domestic industry. In case any unfair trade practices come to the notice, action, if necessary, under WTO provision are taken;

(xiv) National Institute for Fashion Technology (NIFT), its six branches and Apparel Training & Design Centres (ATDCs) are running various courses/programmes to meet skilled manpower requirements of textile industry especially apparel in the field of design, merchandising and marketing;

(xv) Facilities by way of eco-testing laboratories have been created to enable exporters to get the garments/textiles pre-tested for conforming to the requirements of importing countries;

(xvi) 100% Foreign Direct Investment permitted through automatic route in the textile sector with certain exceptions;

(xvii) Refund of taxes and duties on exports through drawback route; and

(xviii) Implementation of Handloom Export Scheme for development of exportable range of handloom products and their international marketing.